



DEPARTMENT OF ENVIRONMENTAL QUALITY
POLICY AND PROCEDURES

SUBJECT: State Administrative
Board Approval

Number: 01-010

Date: March 31, 2000

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ISSUE:

State statute(s) and administrative guidelines require that State Administrative Board approval must be obtained for certain contracts, leases, grants, state land transactions, small claims settlements, and other forms of disposal of state assets where the initial award is \$250,000 or greater; contract extensions which reach the amount of \$250,000 or more; and any amendments to such contracts of \$125,000 or more. Exceptions to this include statutory state grants to other units of government or contracts specifically approved by the Governor.

DEFINITIONS:

"State Administrative Board" is a body comprised of the Governor, Lieutenant Governor, Attorney General, Secretary of State, State Treasurer, and the Superintendent of Public Instruction. The Board exercises general supervisory control over the functions and activities of all administrative departments, commissioners, and officers of the State and of all State institutions.

"Other units of government" means a county, city, village, or township, or an agency of a county, city, village, or township; the office of a county drain commissioner; a soil conservation district established under part 93; a watershed council; a local health department as defined in section 1105 of the public health code; 1978 PA 368, MCL 333.1105; or an authority or any other public body created by or pursuant to state law.

POLICY:

The department shall secure State Administrative Board approval for all contracts, leases, and grants falling under its jurisdiction. Department of Environmental Quality (DEQ) divisions are responsible for requesting State Administrative Board approval of their contracts or grants to be issued by the department **prior** to the signing of any agreement with vendor/recipient. All submittals to the Administrative Board will go under the Director's signature after review by the Deputy Director for Operations.

DEQ Procurement will require verification of Administrative Board approval prior to issuing any purchasing document.

Any questions as to whether State Administrative Board approval is necessary should be directed to the Chief of the Financial and Business Services Division, DEQ.

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REFERENCE:

Administrative Guide to State Government:

<http://mainweb.state.mi.us/other/gsg/contents.htm#600>

Policy 0610 Contracting

Policy 0620 Administrative Board

Procedure 0620.01 Obtaining State Administrative Board Approval

Procedure 0620.02 Submissions to the Finance and Claims Committee

PROCEDURE:

Responsibility

Action

DEQ Requesting Division

1. Contacts DEQ Procurement for general information regarding the State Administrative Board approval process and committee and board schedules.
2. Determines timeline for preparation, approval, and submission of documentation in conjunction with committee agenda schedule. (Agenda items are due one week before the committee's regularly scheduled meeting.)
3. Obtains all prerequisite reviews and approvals as necessary (Civil Service, DEQ Federal Aid, DEQ Procurement, etc.) prior to submission of any request for committee action.
4. Completes one copy of Finance and Claims Agenda Format (OCM-810) following example in Guide to State Government Procedure 0620.02.
5. Completes State Administrative Board Contract Abstract form for each contract/grant.
6. Prepares required number of copies for each contract/grant:
 - A. Contract Abstract Form - 10 copies;
 - B. Approved CS138 (Screen 2117), if applicable - 1 copy;

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Responsibility

Action

DEQ Requesting Division (cont.)

C. Proposed or model contract, as well as all applicable amendments - 2 copies.

7 Forwards all required documents, plus one additional set, to the Deputy Director for Operations with a cover memo requesting State Administrative Board approval.

8 Retains one set of documents for division file and reference.

DEQ Deputy Director for Operations

9. Coordinates Executive Division review.
A. Reviews the request.
B. If more information is needed, sends back to division.
C. If recommending approval of submittals, forwards to the Director.

DEQ Director

10. Reviews division request for State Administrative Board Approval.
A. If more information is needed, sends back to division.
B. If disapproved, returns materials to division with reason for disapproval.
C. Approves division request for State Administrative Board Approval.

DEQ Executive Division

11 Upon the Director's approval, sends required copies for State Administrative Board agenda to the Secretary of the Finance and Claims Committee.
12. Retains one set of documents as department copy for reference during State Administrative Board meeting.

DEQ Deputy Director for Operations

13. Serves as department representative for division requests, as necessary, before the Finance and Claims Committee.

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Responsibility

Action

Secretary to the State
Administrative Board

14. Reviews submitted materials and prepares summary for the Director and Deputy Directors of Department of Management and Budget.
15. Conducts any necessary communication regarding the items presented for the agenda.
16. Prepares agenda and minutes for the Finance and Claims Committee.
17. Forwards committee recommendations to the State Administrative Board for action.

State Administrative Board

18. Acts on the recommendations of the Finance and Claims Committee.
19. Returns record of actions to the Finance and Claims Committee.

Secretary to the State
Administrative Board

20. Receives documentation of State Administrative Board actions.
21. Returns notification of State Administrative Board actions to department.

DEQ Deputy Director for
Operations

22. Returns notification of State Administrative Board meeting outcome to requesting division.

DEQ Requesting Division

23. Prepares requisition to encumber approved contract funds in MAIN.
24. Provides documentation of State Administrative Board approval to DEQ Procurement.

DEQ Procurement

25. Reviews requisition online and attachments/documentation provided by division.

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Responsibility

Action

DEQ Procurement (cont.)

26. Processes division requisition according to procedures and document routing.

Approved



Date: 3/31/00